

SENATE BILL REPORT

SHB 1348

As of March 11, 2021

Title: An act relating to the provision of medical assistance to incarcerated persons.

Brief Description: Providing medical assistance to incarcerated persons.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Davis, Schmick, Frame, Leavitt, Simmons, Valdez, Fitzgibbon, Orwall, Ortiz-Self, Slatter, Caldier, Stonier, Peterson, Ramel, Goodman, Taylor, Sutherland, Ryu, Hackney, Lovick, Barkis, Pollet, Macri, Callan, Santos, Ormsby, Tharinger, Riccelli, Lekanoff, Harris-Talley and Harris).

Brief History: Passed House: 2/26/21, 97-0.

Committee Activity: Human Services, Reentry & Rehabilitation: 3/11/21.

Brief Summary of Bill

- Prohibits a person's incarceration status from affecting the person's Medicaid eligibility during the first 29 days of incarceration.

SENATE COMMITTEE ON HUMAN SERVICES, REENTRY & REHABILITATION

Staff: Kelsey-anne Fung (786-7479)

Background: Suspension of Medicaid Benefits. The Health Care Authority (HCA) provides medical care services to eligible low-income state residents and their families, primarily through the Medicaid program. The State Medicaid Plan is an agreement between the state and the federal government controlling expenditures of Medicaid funds. Federal standards for the Medicaid program exclude payments for care or services for any person who is an inmate of a public institution, except for certain inpatient services at a hospital. Federal Medicaid standards also prohibit payment for care or services for individuals who are patients at an institution for mental diseases. An institution for mental diseases is a hospital, nursing facility, or other institution with more than 16 beds primarily engaged in

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providing diagnosis, treatment, or care of persons with mental diseases.

Legislation enacted in 2016 requires HCA to suspend, rather than terminate, medical assistance for persons who have been incarcerated or committed to a state hospital, regardless of the person's release date. A person who has been incarcerated or committed to a state hospital must be able to apply for medical assistance in suspense status while incarcerated or committed.

Medicaid Waivers. Section 1115 of the Social Security Act gives the Secretary of Health and Human Services authority to grant waivers from certain Medicaid requirements to allow states to demonstrate innovative approaches in their Medicaid programs. The purpose of section 1115 demonstration projects is to demonstrate and evaluate policy approaches such as expanding eligibility, providing services not typically covered, and using innovative service delivery systems.

Summary of Bill: If a person was enrolled in Medicaid at the time of incarceration, the person's incarceration status may not affect their enrollment in Medicaid during the first 29 days of incarceration in a correctional institution.

If the person was not enrolled in Medicaid at the time of incarceration, they may apply for medical assistance during incarceration. If the person is enrolled during the first 29 days of incarceration, the person's incarceration status may not affect the person's enrollment in Medicaid.

After incarceration for 30 days or more, the person's Medicaid status is subject to suspension.

The Health Care Authority may seek any necessary state plan amendments or federal waivers to implement this requirement.

A federal severability clause is included.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 26, 2021.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Currently, Medicaid is suspended on day one when a person enters custody, and when the person is released, it can take 48 to 72 hours to get Medicaid coverage reinstated. Persons who are recently released are not able to get prescriptions filled at a pharmacy or are not able to receive next day or same day services

because of the gap in coverage. The bill directs HCA to suspend on day 30 instead of day one, and will affect 90 percent of individuals in local jails who typically have jail stays less than 30 days. The potential for local jails and local governments to save significant amounts of money is great because they can bill the federal government for healthcare costs. This bill is an additional tool to ensuring those who need care receive care as they successfully reenter society. If a waiver is granted, it would allow individuals in pretrial, who are awaiting trial and have not been found guilty, to maintain Medicaid benefits coverage for the first 29 days. This bill will reduce inequities in the state and save lives.

Persons Testifying: PRO: Representative Lauren Davis, Prime Sponsor; Marc Stern, Correctional Physician, UW School of Public Health/MD, MPH; Sanjay Walvekar, Washington Association of Sheriffs and Police Chiefs; Ethan Frenchman, Disability Rights Washington; Juliana Roe, Washington State Association of Counties; Chris Bandoli, Association of Washington Healthcare Plans.

Persons Signed In To Testify But Not Testifying: No one.